

2021 SoCalREN Multifamily Program

Contractor Kick-Off

Agenda



- Welcome and Team Introduction
- Safety Tip and Door Dash Gift Card Access
- Interactive Icebreaker
- Overview of SoCalREN Program 2021
 - COVID-19 Acknowledgement/Concerns
 - Whole Building/CCA Programs
 - Accepted Measures, Enrollment Processes, and Collateral Overview
 - How to Request Marketing Materials
 - Energy Efficiency Learning Center (EELC) and Trade Ally Portal Review
- Finance Program Walkthrough
- Lincus: QA/QC Do's and Don'ts
- 2020 Contractor Award Acknowledgement
- Q&A – Discussion
- Thank You/Closing and Raffle Winner

Welcome and Introductions

Safety Tip

Interactive Icebreaker

<https://www.mapcustomizer.com/>

Overview of SoCalREN Program 2021

COVID-19 Acknowledgement/Concerns, Whole Building/CCA Programs,
Accepted Measures, Enrollment Process, and Collateral Overview, Request
Marketing Materials Walkthrough, EELC and Trade Ally Portal Review

COVID-19 Concerns/Questions

Whole Building Program

The SoCalREN Multifamily Program encourages property owners to look at their whole building as a system and install measures that work together to create greater efficiency.

Eligibility

- Be in a property served by either Southern California Edison (SCE) or SoCalGas®.
- Be in a building that contains a minimum of five connected units.
- Include at least three energy efficiency measures.
- Achieve a minimum 10% improvement in energy efficiency.
- Reach project completion and approval within 12 months of the date of reservation.

Comprehensive Common Area (CCA) Program

- The SoCalREN Multifamily Program encourages property owners to consider the Comprehensive Common Area approach to help properties enjoy the benefits of an energy efficiency upgrade while minimizing contractor and staff interaction with tenants.
- **Eligible Measures** – the following energy efficiency measures are eligible for Incentives under the Comprehensive Common Area offering.

Category	Measure Type
Lighting	Common area lighting
Water Heating	Central domestic hot water heater
Water Heating	Insulate exposed domestic hot water piping
Water Heating	Domestic hot water recirculation controls
Pool	Programmable pool and spa pump controls
Pool	High efficiency pool and spa heater
Pool	Timer on pool and spa heater
Pool	Pool covers
Laundry	ENERGY STAR® clothes washers

2021 Processes

- Accepted Measures
- Enrollment Processes
- CPA and POA
- Resources/Collateral

Southern California
REGIONAL ENERGY NETWORK

SoCalREN Multifamily Program
Whole Building

Upgrade Your Property and Increase Your Savings

Add value to your property, improve tenant comfort, and reduce maintenance costs with the Southern California Regional Energy Network (SoCalREN) Multifamily Program. This Program offers technical assistance and financial incentives when you make energy-saving improvements to your property.

Participate in Four Easy Steps

- 1. Access No-Cost Consulting**
 An energy consultant from the SoCalREN team will work with you to identify measures and connect you to incentive and financing programs.
- 2. Get an Assessment**
 An energy assessment will identify the opportunities to upgrade the energy efficiency of your property.
- 3. Make Improvements**
 Have a licensed, qualified contractor install energy efficiency measures. Some measures may be self-installed (contact the Program for more details).
- 4. Receive Incentives***
 Earn incentives for the amount of energy saved, based on the measures installed. The more you save, the more incentives you can earn!

*Improvement incentive based on energy efficiency achieved. Higher percentages of savings will lead to higher incentive levels.

socalren.org/multifamily

SoCalREN Multifamily Program • Whole Building

Frequently Asked Questions

Where does the money for these incentives come from?
The SoCalREN is a Program funded by SoCalGas and SCE ratepayers under the auspices of the California Public Utilities Commission (CPUC). The funds for this Program are collected by the utilities and distributed by the CPUC.

Our tenant spaces are separately metered. Must improvements be installed within the units to qualify for the incentives?
The improvements can be installed in the common areas or in tenant units. There must be at least three energy efficiency measures installed overall, including but not limited to interior lighting, exterior lighting, window replacements, efficient showerheads, faucet aerators, wall insulation, and cool roofs.

Can I use your incentives to install solar electric?
Solar power generation is not eligible. Solar thermal water heating for domestic hot water or swimming pools is eligible.

Do I have to get a permit for the improvements?
Yes, any improvements requiring a permit by your local municipality must be permitted. For any central air conditioning or heat pump projects, SB 1414 requires proof that the permit has been closed in order to receive the incentive.

Is there a cap on the incentive amount for my project?
Project incentives are based on energy savings per the Assessment Report and the number of apartment units at a property. The incentive is capped at 60% or 75% of the total approved project cost, based on the Assessment Report. The maximum incentive amount is provided in the Reservation Letter.

Are there income requirements to participate in the Program?
No, there are no income restrictions, but projects located in certain ZIP codes may be eligible for the higher 75% capped incentive amount.

Does the Program offer financing?
Yes, talk to your Account Manager about financing options available through the Program.

Can the incentives be used for new construction?
The incentives do not apply to new construction, only energy efficiency upgrades to existing properties.

Does the Property Owner have to use any specific contractors?
Yes, the installation contractor must be approved for participation in the Program. If your preferred contractor is not already approved for participation, your Account Manager will assist the contractor in completing participation requirements.

Energy Efficiency Improvement Incentives
See below for details on the incentive amount per unit based on energy efficiency improvement.

% Savings	Incentive Per Unit
10	\$550
11	\$583
12	\$616
13	\$649
14	\$682
15	\$715
16	\$748
17	\$781
18	\$814
19	\$847
20	\$880
21	\$913
22	\$946
23	\$979
24	\$1,012
25	\$1,045
26	\$1,078
27	\$1,111
28	\$1,144
29	\$1,177
30	\$1,200

SoCalREN 06/08/20

Project Submission Process

Enrollment Documents

- Required upfront before enrolling projects
 - Signed Property Owner Agreement
 - Utility Bills



Receive Pre-Construction Inspection

- Submit intake form in portal along with other project documents
- Engineering Team will review and conduct an inspection



Get an Assessment and Reserve Funding

- Identify EE opportunities for the property with property owner and Account Manager
- Secure funding with Reservation Letter



Make Improvements

- Install energy efficiency measures and achieve a minimum 10% improvement



Submit Post-Construction Document

- Permits
- Itemized Invoices
- Incentive Assignment Form (if applicable)



Quality Control Review

- Review documents
- Projects will be randomly selected for an on-site inspection by our system

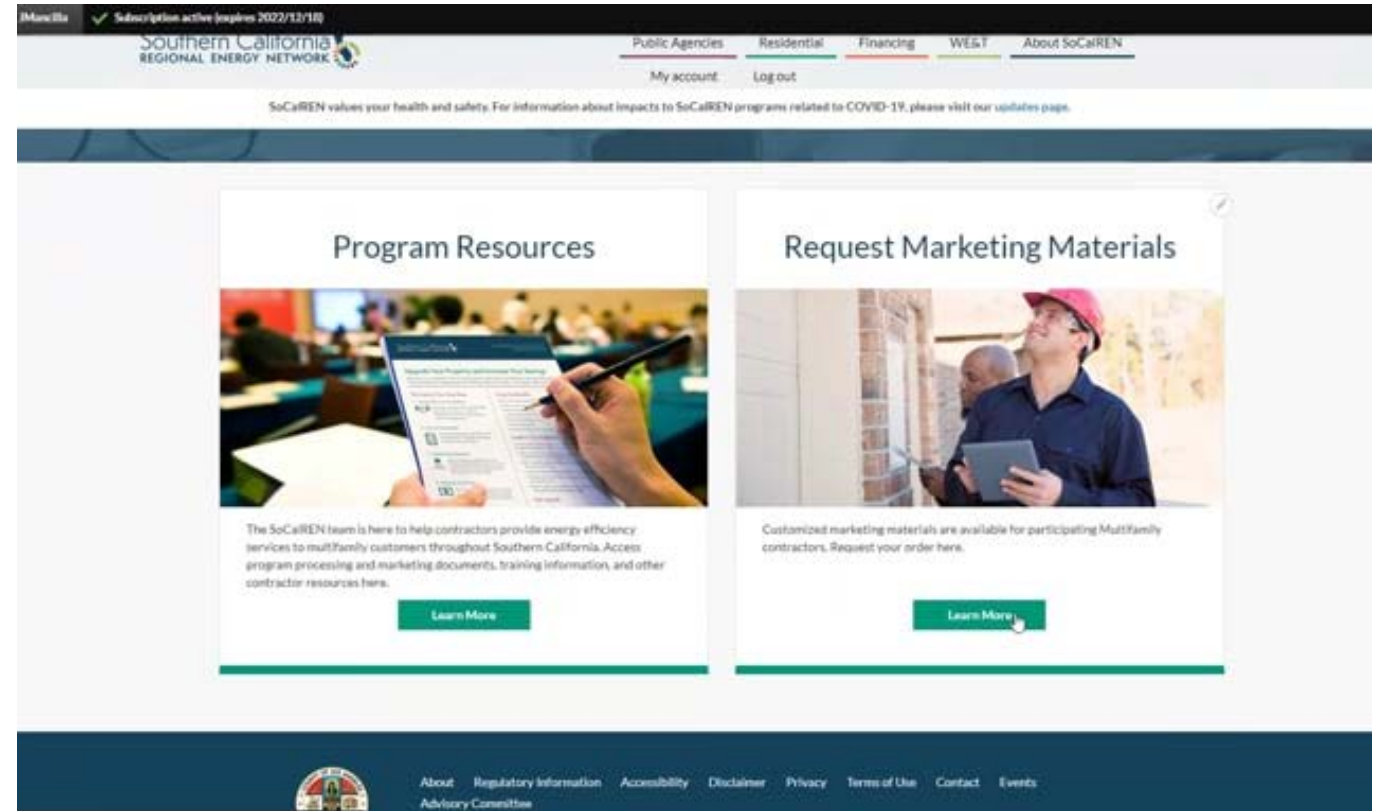


Incentive Paid

- Expect payment in 6-8 weeks

Requesting Marketing Materials


- Contractors can request customized marketing materials upon Account Manager approval.
- These materials are available at no cost to you or your customers.
- There is a spot for contractors to upload their logo for cobranded materials.
- Materials contractors can request:
 - Cobranded Whole Building Overview Flyer in English, Spanish and Chinese
 - Whole Building Program Overview Flyer in English, Spanish and Chinese
 - **CCA Program Overview Flyer** in English (*coming soon in other languages*)
 - **Tip Sheet** in English (*coming soon in other languages*)
 - Pocket Folders
 - COVID-19 Door Hangers
 - Letters for Projects with In-Unit Measures
 - Letters for Common Area Projects




Energy Efficiency Learning Center (EELC)

Exclusive learning platform for Participating Contractors

- Selling Projects
- Customer Service
- HVAC, Combustion, Ventilation courses
- Free courses to earn CEUs





The SoCalREN Learning Center offers an ongoing selection of training courses and resources designed to enhance your participation in energy efficiency programs. After registering, you can browse courses, add them to your course list, and complete courses on your own schedule. The SoCalREN Learning Center is an ICF initiative. New content will be added frequently by participating utilities and programs.

Goals of the SoCalREN Learning Center include:

- Training in the latest home performance standards
- Facilitating submission to accrediting agencies such as the Building Performance Institute (BPI)
- Providing self-paced training opportunities to better fit your schedule

Need help or have questions? Please email multifamily@socialren.org.

Welcome to the SoCalREN Learning Center

Email

Password

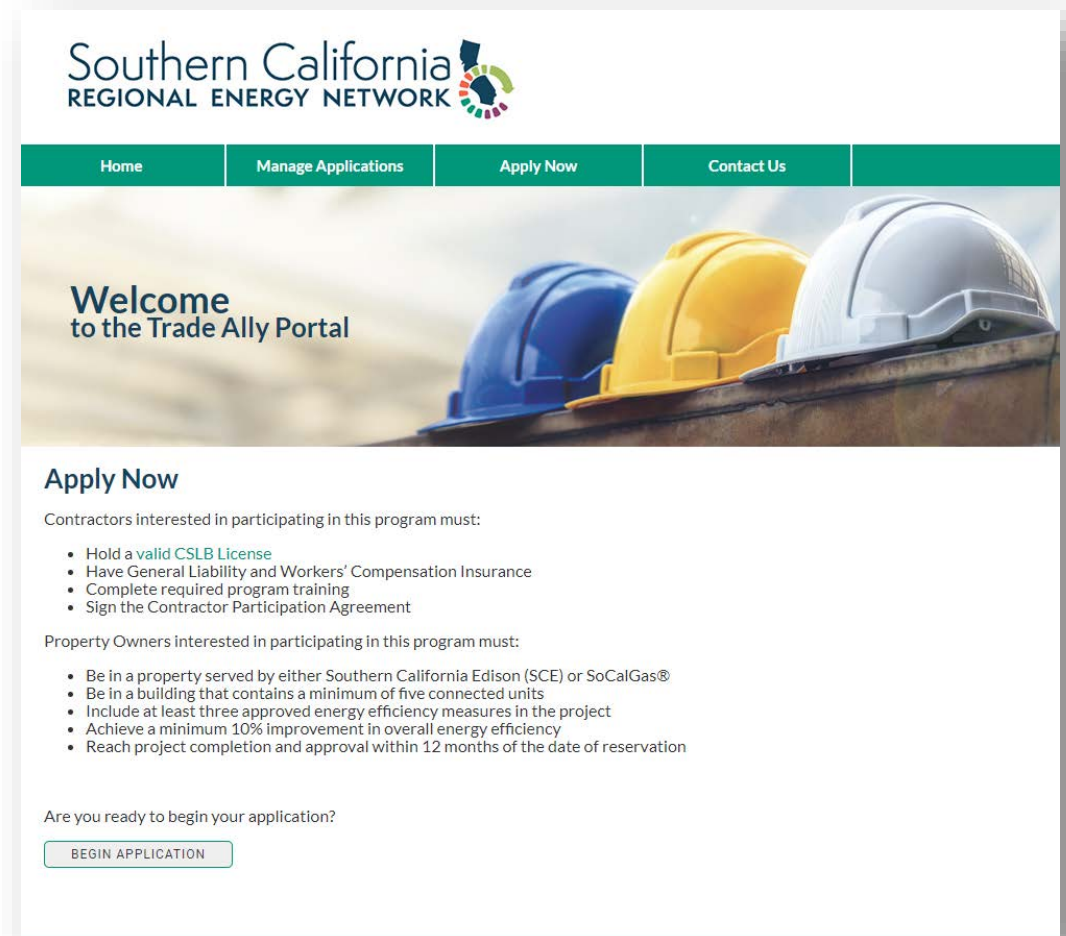
[Sign in](#)

[Forgot password?](#)

Trade Ally Portal

Centralized communication for Program compliance:

- Insurance
- Training Certificates
- CSLB Documents
- W-9
- Keep track of all projects in one location



Finance Program Presentation

NEIF Finance Program Coming Soon



gogreen
FINANCING™

State-Administered, Utility-Supported Financing for Energy Efficiency Upgrades

Small Business Financing (SBF) Program
Affordable Multifamily Financing (AMF) Program

Jonathan Verhoef | Susan Mills

Tuesday, January 21, 2021

Financing for Multifamily Projects

The **State of California** is helping to provide **private financing** for market-rate and affordable **multifamily** installations

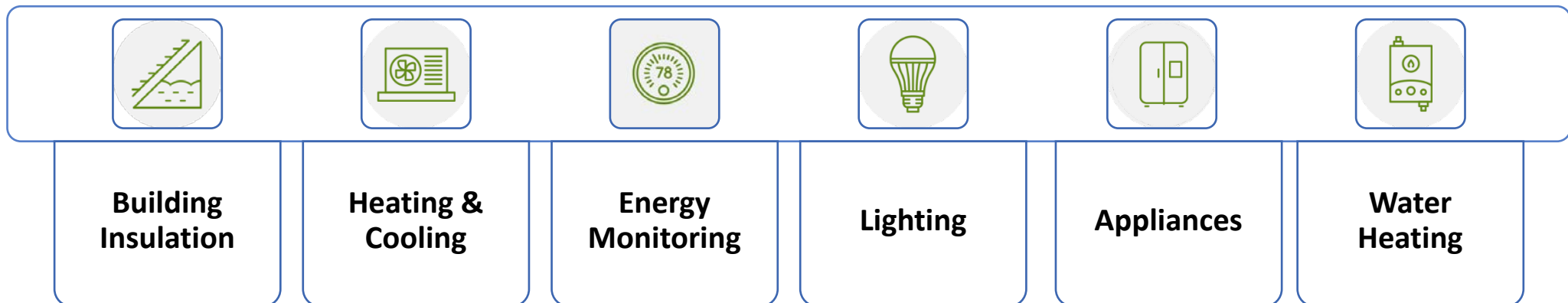
- Financing facilitated by the State, marketed by the utilities
- Private finance companies offer **improved rates and terms**
- Financing can also include other **property improvements**

That means your customers can...

- ✓ Reduce their energy bills with no upfront costs
- ✓ Finance energy retrofits, necessary repairs and property upgrades
- ✓ Get started fast with rapid project approval!

What Types of Projects Qualify?

- Two programs:
 - Affordable Multifamily (AMF) for deed-restricted properties with at least 50% LMI units
 - Small Business (SBF) for market-rate multifamily
- Both **common areas** and **tenant units** may be upgraded
- Anything that qualifies for a **SoCalREN incentive** qualifies for financing!
- Finance many measures that save electricity or gas, including:



Non-energy upgrades included

Projects must include **at least one energy-saving measure** but can also include:

- ✓ Non-energy improvements
 - Landscaping, parking lots, EV charging, repairs to the property
 - Finance companies may limit these measures to 30% of total financed amount
- ✓ Code compliance necessary for project completion (e.g., electrical panels)
- ✓ Solar panels and battery storage, at lender's discretion

For example, financing for a project can include:

- | | |
|---------------------------------------|------------------------------|
| ▪ Efficient boilers | ▪ Landscaping |
| ▪ LED lighting for parking lots | ▪ Cool roofs |
| ▪ Efficient dishwashers in every unit | ▪ Solar panels and batteries |

Affordable Multifamily (AMF) Financing Program

Susan Mills



AMF Program Overview

- Property qualification:
 - **5 units** or more
 - **At least 5 years** remaining on recorded affordability deed restriction or covenant
 - **At least 50%** of total units for households with “moderate or lower incomes”, per HCD Income Limits
- Customer qualification:
 - Owns but does not reside at the property
 - No outstanding judgments, liens, or bankruptcy filings within last five years
- This program is great for affordable multifamily properties that:
 - Are **between capitalization cycles**
 - Received tax credits and are well beyond resyndication (or not returning for resyndication)
 - Want to avoid placing a lien on the property
- Contractor enrollment in AMF program is not required



AMF Financing Options



Equipment finance agreements

- \$10,000 - \$250,000
- 100% project financing
- Credit approval within 48 hours
- Prefunding available for qualified contractors
- Project may include solar and/or storage
- Customer can buy down interest rate

Josh Patton, VP of Sales

joshpatton@ascentiumcapital.com



Energy service agreements

- \$250,000 - \$10,000,000
- 100% project financing
- Terms up to 10 years
- Ability to treat as an off-balance sheet transaction
- Includes maintenance
- Project may include solar and/or storage

Michael Savage, Sales Manager

msavage@renewep.com

Small Business (SBF) Financing Program

Jonathan Verhoef



SBF Program Overview

- Property qualification:
 - **5 units** or more
 - **Market rate** multifamily
 - Customer has no outstanding judgments, liens, or bankruptcy filings within last five years
- Customer meets **one of the following** size requirements:
 - 100 employees or fewer, **or**
 - Meet SBA small business size requirements (up to \$30mm/year)
- This program is great for market rate multifamily properties that:
 - Are looking for an alternative source of capital
 - Want to avoid placing a lien on the property
- Contractors complete a thirty-minute training and brief application to enroll
 - Get advertised on the program website!



SBF Financing Options



Equipment leases

- \$10,000 - \$5,000,000
- Terms 24 – 120 months
- Credit approval within 48 hours
- **Progress payments** available for qualifying contractors
- No financials required up to \$300,000
- dgoldstein@alliancefunds.com



Equipment finance agreements

- \$10,000 - \$2,000,000
- Terms 12 – 84 months
- Credit approval within 48 hours
- **Prefunding** available for qualifying contractors
- Project may include solar and/or storage
- No financials required up to \$250,000
- joshpatton@ascentiumcapital.com



Loans, leases, service agreements

- \$10,000 - \$5,000,000
- Terms 24 – 120 months
- Credit approval within 48 hours
- **Progress payments** up to 90%
- Project may include solar and/or storage
- No financials required up to \$125,000
- dingram@leasedirect.com

How Do I Get Started?

GoGreenFinancing.com

- Get in touch with one of our **participating finance companies** and provide a quote to your customer
- Get approved to start installation in as little as **48 hours!**
- Leverage a statewide marketing campaign supported by the IOUs!

Susan Mills
Affordable Multifamily
susan.mills@treasurer.ca.gov
916-651-3760

Jonathan Verhoef
Small Business (for market rate multifamily)
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916-653-1375

Lincus: QA/QC Do's and Don'ts

Finalizing Scope of Work (SOW)

- Existing Process



- We want to reduce the iterative process of last two steps:
 - Finalize the scope with the customer.
 - Provide itemized quotes for costs with intake form.

Finalizing Scope of Work (SOW)

- ICF is developing a high-level savings estimation tool to finalize the scope prior to Assessment Report development.
- Please see below for the New Process:



- Contractors will be provided the SoCalREN's AR Calc Summary tools needed to revise their SoW to get an estimate of their incentive.
- **Request for measure revisions only if it impacts the incentive by more than 10%.**

Intake Form Quality

- Missing mandatory entries
 - Bolded items must be provided.
- Missing proposed equipment
 - Proposed equipment section to be used for SOW.
- Contradicting entries
 - For example, electric resistance heating but gas furnace equipment specs.
- Submitted SOW not aligning with intake form
- High costs not supported by itemized quotes
 - See next slide for good quote vs not accepted quote.

Itemized Quotes



Quotation

QUOTE DATE	QUOTE NUMBER
12/15/20	S160395441
QUOTED BY:	
507 HAJOCA CORP COSTA MESA CA	
5170 AIRWAY AVE	
COSTA MESA CA 92626-4408	
714-639-4442 Fax 714-597-1810	
Page No	
1 of 3	

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← Example of an acceptable itemized quote

Example of a quote that can't be reviewed

QUOTE FOR		CUSTOMER PURCHASE ORDER NUMBER		CUSTOMER RELEASE NUMBER		DATE			
QUOTE FOR		SHIP VIA		TERMS		EXPIRATION DATE		FINES/FEES ALLOWED	
Joe Daher		PLBG OUR TRUCK		NET 25TH PROX 1.5 SC 25		12/14/20		No	
QUOTE CITY	QUANTITY	DESCRIPTION				Net Price	Ext Price		
1ea	4352690	RAYPAK H7-1000B-G-12-I-14-M-10-S-1/S-2 XFIIRE BOILER SS WATER TUBE COND 96% EFF VERSA IC MODULATING CONTROLLER W/ COLOR TOUCHSCREEN				23461.400/ea	23461.40		
1ea	4305273	RAYPAK 950606 P-1 #1611 1/4HP CAST IRON PUMP				1052.630/ea	1052.63		
1ea	4305274	RAYPAK 351629 2IN FLG KIT CAST IRON				55.930/ea	55.93		
1ea	4297827	RAYPAK 017726 Z-12 CONDENSATE TREATMENT KIT				266.800/ea	266.80		
1ea	4352691	RAYPAK 017722 F-15 FLOW METER, LOOSE				2796.140/ea	2796.14		
1ea	4305275	RAYPAK 017755 B-32 OUTDOOR AIR SENSO - SHIPPED LOOSE				349.520/ea	349.52		
1ea	4352692	RAYPAK 017802 D-22 TRUSEAL AIR INTAKE				280.780/ea	280.78		
1ea	4352693	RAYPAK 017714 E-5 ALARM W/ 4" BELL				668.160/ea	668.16		
1ea	3369465	011922 B-36 TEMP-TRACKER MOD+				1813.420/ea	1813.42		
1ea	3413822	RAYPAK 011932 B-31 WELL ASSEMBLY				21.550/ea	21.55		
2ea	3890168	CTS FLANGE SF025 2-1/2" 150# PRESS FIT FLANGE				102.610/ea	205.22		
2ea	1360477	GNR 212BGS 2-1/2 NON-ASBESTOS 150LB PLAIN BOLT & FULL FACE GASKET SET 1/16 THICK				5.860/ea	11.72		
1ea	3890167	CTS FLANGE SF002 150# PRESS FIT FLANGE				130.770/ea	130.77		
1ea	1353847	GNR 2BGS 2" NON-ASBESTOS 150LB PLAIN BOLT & FULL FACE GASKET SET				5.580/ea	5.58		

Water Heater changeout

Total Materials (heaters, venting, plumbing, fittings, valves, pumps, etc.):
\$50,334.57

Total Labor:
\$9,000.00

Misc Other Costs (permits, truck charge, etc.):
\$1,100

Grand Total: **\$60,434.57**

Invoices

- Follow Program's Invoice Template
- Common issues:
 - Not itemized and detailed
 - Not matching with inspection findings
 - Not matching with installation report
- Program approved costs will be used if:
 - Change in scope was not requested.
 - Costs are unreasonably higher without justification and separate itemized details for measure.
- For lighting measures – map the quantity and type on the invoice with the installation report which is organized by lighting location.

Installation Report

- Match the quantity and type with the invoice
- Complete scope change tab
 - If no change in scope, state “None”
- List the recommend equipment from Assessment Report and installed equipment even if no scope change was planned.

Southern California REGIONAL ENERGY NETWORK				Example of missing AR equipment				
Number of Apartments Renovated	Apt. #	# of Bed/Bath	Area:	BATHROOM	BATHROOM	BATHROOM	BATHROOM	LIVING ROOM
			AR Recommended Equipment:					
			Installed Equipment System Name:	1.25 GPM SHOWERHEAD	0.5 GPM BATH AERATOR	1.0 GPM KITCHEN AERATORS	6W G25 LED	5W CANDELABRA LED
37	3-301	1X1	Quantity Installed:	1	1	1	3	5

Fuel Substitution Measures – Building Electrification

Recommend Building Electrification Measures

- State's decarbonization goals require building electrification.
- Building electrification measures:
 - Heat Pump Water Heaters
 - Heat Pump Pool and Spa Heater
 - Heat Pump HVAC – remove gas furnaces
 - Heat Pump Clothes Dryer
 - Induction Cooktop
- Audit reports will present the fuel substitution option where applicable.

2020 Contractor Award Acknowledgement

2020 Contractor Awards

- **Gold kWh Savings**
 - **CEGY with 496694.646 net kWh**
- **Top Comprehensive Common Area Project**
 - **SitelogIQ with Ridgestone 6122.87 Net kWh**
 - *(based off highest kWh savings for CCA project)*
- **Contractor of the Year**
 - **Bottom Line Utility Solutions**
 - *(evaluated by overall excellence, consistency, timing start to finish, lowest cancellation rate, and hits projected timeline)*
- **Outstanding Contractor**
 - **Bottom Line Utility Solutions**
 - *(based off Fewest Project Processing Errors and Fewest On-Site Corrections)*



**Awards are expected to be delivered on 1/26 to each Contractor's Business*

Questions?

Amazon Gift Card Winner Announcement

Thank You!